REMARKS

Reconsideration and allowance of the subject application are respectfully requested.

Claims 1-13 stand rejected under 35 USC §112, second paragraph as being indefinite.

This rejection is respectfully traversed.

Regarding paragraph 10 of the office action, claim 1 recites a computer implemented

trading apparatus, and recites a matching processor which is structure, and a data processing

module, which the Examiner argues can be interpreted as software. If the module were just

software, for argument's sake, the claim is still clear and definite. A person of ordinary skill in

the art would certainly understand that the data processing module is part of the computer

implemented trading apparatus which either is the apparatus that creates the new derived order or

is used by a computer or other data processor to create the new derived order. Nevertheless, in

an effort to address the Examiner's concern, claim 1 now recites a computer server configured to

create the new derived order.

In paragraph 11, the Examiner states it is "unclear how a bond is derived from the

stripped bonds and how the stripped bonds are associated with the bonds." This objection is not

directed to a lack of clarity but rather breadth. Claims 1, 2, and 6 purposefully do not recite a

specific way for performing derivation or prescribe a particular association. The breadth of these

claims should be addressed by prior art that teaches the claim features. However, in an effort to

assist the Examiner, the Applicants address the Examiner's specific concerns.

The term "associated" objected to by the Examiner is used in claim 1 and not in claims 2

and 6. The particular association is not and need not be claimed. The specification provides one

example of an association between a bond that is stripped to generate multiple separate zero-

coupon securities, each of which can be held or traded separately. See page 1, line 22 to 2, line 7

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and page 5, lines 1-3. Page 5, lines 21-27 also explain example non-limiting relationships between a bond, stripped bonds, and derived orders (baits).

The description in the specification regarding Figure 3, which is based on the non-limiting example from in Figures 1 and 2, uses the term bond price rather than bond order as used in the claims. First, this portion of the specification and Figure 3 provides a non-limiting example based on bond prices. The claims are not limited to the specific examples and embodiments set forth in the specification. Second, page 5, lines 21-27 explains that the "system will make use of the relationship existing between a bond and a stripped bond to generate prices of the bond from a number of stripped bonds. In addition, the system can use the relationship between bonds and stripped bonds to generate derived orders (baits) in the stripped bond market using the existing price on bonds." So prices are generated and used to generate derived orders.

Third, the example in Figure 4 uses the term "price" as a shorthand term for a stripped bond order. Each stripped bond order includes a price. The matching process in Figure 4 is driven by the stripped bond prices, so it is a natural shorthand term. The Examiner is recommended to review the example in Figures 1 and 2 when considering the description on Page 6. In step 407, the process identifies "sell" stripped bond orders related to the bond for which the "buy" order was received in step 403. In a step 409, the system checks if there are "sell" stripped bond orders for all of the stripped bonds that would be needed to match that received bond. If so, the matching process tries to match that combination of stripped bond orders against the received bond order. If step 409 determines that one of the stripped bond orders needed in order for the combination of stripped bond orders to match the received bond order, the system generates a derived stripped bond order (bait) in the stripped bond market for

the missing stripped bond at a price such that the combination of stripped bonds including the derived order matches the order in step 411.

The above explanation is provided for assisting the Examiner in understanding the example in the specification and is not limiting with respect to the claims.

The antecedent basis point for claim 6 is remedied by amendment.

Withdrawal of the rejection under 35 USC §112, second paragraph is requested.

Claims 2-6 and 12 stand rejected under 35 USC §101 as being non-statutory. This rejection is respectfully traversed.

The Examiner requests that the steps in these claims be tied to an apparatus. Claims 2-6 and 12 are amended to specify that each step is performed by a computer-implemented trading system. Withdrawal of this rejection is requested.

Claims 1-13 stand rejected under 35 USC §103 as being unpatentable over Narayan in view of newly-applied Gustafson. This rejection is respectfully traversed.

Gustafson is not a prior art reference under this section of the statute. See 35 USC §103(c). The Gustafson publication date of December 4, 2003 is after the filing date of the instant application of July 10, 2003. So the reference appears to be applied under 35 USC §102(e)/103. However, both the Gustafson application and the instant application were, at the time the invention was made, owned by OM Technology AB or subject to an obligation of assignment to OM Technology AB. Therefore, the Gustafson application is not available as prior art under 35 USC §103(c).

The application is in condition for allowance. An early notice of same is respectfully requested.

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Respectfully submitted,

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